GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2071
ANSWERED ON:04.08.2000
BANKRUPT PLANTATION COMPANIES
ASHOK ARGAL

Will the Minister of FINANCE be pleased to state:

(a) the number of plantation companies which have become bankrupt and the appropriate amount which is due to the investors; and

(b) the steps taken/being taken by the Government to ensure the interests of the investor and to regulate the plantation companies?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE. SHRI BALASAHEB VIKHE PATIL

(a) & (b) The Securities and Exchange Board of India(SEBI) has received information from 642 entities who had reportedly raised about Rs. 2681 crores. The SEBI(Collective Investment Schemes) Regulations, 1999provide that, no existing Collective Investment Scheme (CIS) is allowed to launch any new scheme or raisemoney from investors unless a certificate of registration is granted to it. Such schemes were required to file an application for registration with SEBI by March 31, 2000. Those existing collective investment schemes which have failed/did not wish to apply for registration, were required to wind up their existing schemes and repay their investors by May 28, 2000. So far, SEBI has received applications for grant of registration from 48 existing CIS entitiesSEBI has issued show cause notices to various entities operating such schemes. Further, court proceedings have been initiated against 5 companies namely Libra Plantations Ltd., Arrow Global Agrotech Ltd., SPGGreen Gold Plantations Ltd., Okara Agro Industries Ltd., and Golden Forests (India) Ltd.